



**icetana Limited  
ACN 140 449 725**

## **Notice of Annual General Meeting**

**The Annual General Meeting of the Company will be held as follows:**

**Time and date: 3.30pm (AWST) on Tuesday, 28<sup>th</sup> November 2023**

**Location: Room 36C, 36th floor, Central Park, 152 St Georges Terrace,  
Perth WA 6000**

The Notice of Annual General Meeting should be read in its entirety.

If Shareholders are in doubt as to how to vote, they should seek advice from their suitably qualified professional advisor prior to voting.

**Should you wish to discuss any matter, please do not hesitate to contact the  
Company on 0439 829 898.**

**Shareholders are urged to vote by lodging the Proxy Form**

**icetana Limited  
ACN 140 449 725  
(Company)**

## **Notice of Annual General Meeting**

Notice is hereby given that the annual general meeting of Shareholders of icetana Limited (**Company**) will be held at Room 36C, 36th floor, Central Park, 152 St Georges Terrace, Perth WA 6000, on November 28th 2023 at 3.30pm (AWST) (**Meeting**).

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 3.30pm (AWST) on November 26<sup>th</sup> 2023.

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form, form part of the Notice. Terms and abbreviations used in the Notice are defined in the Schedule.

### **Agenda**

#### **1 Annual Report**

To consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2023, which includes the Financial Report, the Directors' Report and the Auditor's Report.

**Note:** there is no requirement for Shareholders to approve the Annual Report.

#### **2 Resolutions**

##### **Resolution 1 – Remuneration Report**

To consider and, if thought fit, to pass with or without amendment, as a **non-binding** ordinary resolution the following:

*'That, the Remuneration Report be adopted by Shareholders, on the terms and conditions in the Explanatory Memorandum.'*

**Note:** a vote on this Resolution is advisory only and does not bind the Directors or the Company.

##### **Resolution 2 – Election of Director – Matthew Macfarlane**

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

*'That, Matthew Macfarlane, who retires in accordance with Article 7.2(b) of the Constitution, Listing Rule 14.4 and for all other purposes, retires and, being eligible and offering himself for election, is elected as a Director, on the terms and conditions in the Explanatory Memorandum.'*

### **Resolution 3 – Approval of 10% Placement Facility**

To consider and, if thought fit, to pass with or without amendment, as a **special** resolution the following:

*'That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, on the terms and conditions in the Explanatory Memorandum.'*

### **Resolution 4 – Ratification of issue of Tranche 1 Placement Shares**

To consider and, if thought fit, to pass with or without amendment, each as a **separate** ordinary resolution the following:

*'That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 47,828,571 Tranche 1 Placement Shares as follows:*

- (a) 27,895,729 Tranche 1 Placement Shares issued under Listing Rule 7.1; and
- (b) 19,932,842 Tranche 1 Placement Shares issued under Listing Rule 7.1A,

*on the terms and conditions in the Explanatory Memorandum.'*

### **Resolution 5 – Ratification of agreement to issue Tranche 2 Macnica Shares**

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

*'That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the agreement to issue up to 2,000,000 Tranche 2 Macnica Shares, on the terms and conditions in the Explanatory Memorandum.'*

### **Resolution 6 – Approval of issue of Tranche 2 Skiptan Shares**

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

*'That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 7,142,857 Tranche 2 Skiptan Shares, on the terms and conditions in the Explanatory Memorandum.'*

### **Resolution 7 – Approval to issue New Options to employees and consultants**

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

*'That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 22,400,000 New Options to employees and consultants of the Company under*

*the Plan, on the terms and conditions in the Explanatory Memorandum.'*

## **Resolution 8 – Approval to issue New Options to the Directors**

To consider and, if thought fit, to pass with or without amendment, each as a **separate** ordinary resolution the following:

*'That, for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of up to 2,500,000 New Options under the Plan, as follows:*

- (a) 750,000 New Options to Colm O'Brien (or his nominees);
- (b) 750,000 New Options to Clinton Snow (or his nominees); and
- (c) 1,000,000 New Options to Matthew Macfarlane (or his nominees),

*on the terms and conditions in the Explanatory Memorandum.'*

## **Resolution 9 – Modification of existing Constitution**

To consider and, if thought fit, to pass with or without amendment, as a **special** resolution the following:

*'That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, the Constitution of the Company be modified by making the amendments contained in the document tabled at this Meeting and signed by the Chair for the purposes of identification, with effect from the date this Resolution is passed.'*

### **3 Voting exclusions**

Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of:

**Resolution 3:** if at the time of the Meeting, the Company is proposing to make an issue of Equity Securities under Listing Rule 7.1A.2, by or on behalf of any persons who are expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any of their respective associates.

**Resolution 4(a) and (b):** by or on behalf of a person who participated in the issue of the Tranche 1 Placement Shares, or any of their respective associates.

**Resolution 5:** by or on behalf of Macnica and any other person who participated in the issue of the Tranche 2 Macnica Shares, or any of their respective associates.

**Resolution 6:** by or on behalf of Skiptan, Clinton Snow and any other person who will obtain a material benefit as a result of the issue of the Tranche 2 Skiptan Shares (except a benefit solely by reason of being a Shareholder), or any of their respective associates.

**Resolution 7:** by or on behalf of any person who will obtain a material benefit as a result of the issue of those New Options (except a benefit solely by reason of being a Shareholder), or any of their respective associates.

**Resolution 8(a), (b) and (c):** by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates,

or their nominees.

The above voting exclusions do not apply to a vote cast in favour of the relevant Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

#### 4 **Voting prohibitions**

**Resolution 1:** In accordance with sections 250BD and 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chair to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

**Resolution 8:** In accordance with sections 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment, on this Resolution if:

- (a) the proxy is either a member of the Key Management Personnel or a Closely Related Party of such member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

**BY ORDER OF THE BOARD**



**Rafael Kimberley-Bowen**  
Company Secretary  
icetana Limited  
Dated: 26 October 2023

**icetana Limited**  
**ACN 140 449 725**  
**(Company)**

## **Explanatory Memorandum**

### **1. Introduction**

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Room 36C, 36th floor, Central Park, 152 St Georges Terrace, Perth WA 6000, on November 28th 2023 at 3.30pm (AWST) (**Meeting**).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted. The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Voting and attendance information
Section 3	Annual Report
Section 4	Resolution 1 – Remuneration Report
Section 5	Resolution 2 – Election of Director – Matthew Macfarlane
Section 6	Resolution 3 – Approval of 10% Placement Facility
Section 7	Resolution 4 – Ratification of issue of Tranche 1 Placement Shares
Section 8	Resolution 5 – Ratification of agreement to issue Tranche 2 Macnica Shares
Section 9	Resolution 6 – Approval of issue of Tranche 2 Skiptan Shares
Section 10	Resolution 7 – Approval to issue New Options to employees and consultants
Section 11	Resolution 8 – Approval to issue New Options to the Directors
Section 12	Resolution 9 – Modification of existing Constitution
Schedule 1	Definitions
Schedule 2	Details of Existing Options and New Options
Schedule 3	Terms and conditions of New Options
Schedule 4	Valuation of Director New Options
Schedule 5	Summary of material terms of Plan

A Proxy Form is located at the end of the Explanatory Memorandum.

## **2. Voting and attendance information**

Shareholders should read this Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

Voting on all proposed Resolutions at the Meeting will be conducted by poll. On a poll, each Shareholder has one vote for every fully paid ordinary Share held in the Company.

### **2.1 Voting in person**

To vote in person, attend the Meeting on the date and at the place set out above.

### **2.2 Voting by a corporation**

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

### **2.3 Voting by proxy**

A Proxy Form has been made available with the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are encouraged to vote by completing and submitting the Proxy Form to the Company in accordance with the instructions thereon. Submission of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

#### **The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.**

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;



- (c) if the proxy is the Chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (d) if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Section 250BC of the Corporations Act provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- (b) the appointed proxy is not the chair of the meeting;
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either the proxy is not recorded as attending the meeting or the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

Your proxy voting instruction must be received by 3.30pm (AWST) on 26<sup>th</sup> November 2023, being not later than 48 hours before the commencement of the Meeting.

## **2.4 Chair's voting intentions**

If the Chair is your proxy, either by appointment or by default, and you have not indicated your voting intention, you expressly authorise the Chair to exercise the proxy in respect of Resolution 1 and Resolution 8, even though these Resolutions are connected directly or indirectly with the remuneration of the Company's Key Management Personnel.

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

## **2.5 Submitting questions**

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary at [raf@icetana.com.au](mailto:raf@icetana.com.au) by 3.30pm (AWST) on 26<sup>th</sup> November 2023.

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

## **3. Annual Report**

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2023.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at <https://www.icetana.com/en-au>;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so.

## **4. Resolution 1 – Remuneration Report**

### **4.1 General**

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report for the year ended 30 June 2023 in the 2023 Annual Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for specified executives and non-executive Directors.

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

If the Company's Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board, except the Managing Director (if any).

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2022 annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be

aware that if a second Strike is received at the 2024 annual general meeting, this may result in the re-election of the Board.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about or make comments on the Remuneration Report.

## **4.2 Additional information**

Resolution 1 is an ordinary resolution.

Given the personal interests of all Directors in the outcome of this Resolution, the Board declines to make a recommendation to Shareholders regarding this Resolution.

## **5. Resolution 2 – Election of Director – Matthew Macfarlane**

### **5.1 General**

Article 7.2(b) and Listing Rule 14.4 both provide that a Director (excluding the Managing Director) must not hold office without re-election past the third annual general meeting following that Director's appointment or three years, whichever is longer.

Article 7.3 of the Constitution provides that a Director who retires in accordance with Article 7.2(b) holds office until the conclusion of the Meeting but is eligible for re-election.

Non-Executive Director and Chairman, Matthew Macfarlane, ceased as Chief Executive Officer on 1 August 2023. Accordingly, Mr Macfarlane retires by rotation at this Meeting and, being eligible, seeks election pursuant to Resolution 2.

If Resolution 2 is passed, Mr Macfarlane will be elected as a Director of the Company with effect from the conclusion of the Meeting.

If Resolution 2 is not passed, Mr Macfarlane will not be elected as a Director of the Company.

### **5.2 Matthew Macfarlane**

Mr Macfarlane was the founding CEO of the Company and, as well as serving on the Board since then, returned to the CEO role in September 2018. In August this year he resigned as CEO of the Company, but remained as Non-executive chair. He is a successful entrepreneur, angel and venture capital investor and worked for over 10 years doing international cross-border mergers and acquisitions. He co-founded software start-up Vibe Capital (Minti) which raised over \$2.6m from early stage investors; and also co-founded the \$40m venture capital firm Yuuwa Capital in 2009. In 2018 he was recognised by the West Australian IT and Telecoms Association (WAITTA) as the Pearcey Entrepreneur of the Year. He is an independent Director of PetRescue Ltd, a Director of the Australian Export Grains Innovation Centre (AEGIC) and a Director of AgriFutures Australia.

Mr Macfarlane does not currently hold any other material directorships, other than as disclosed in this Notice.

If elected, Mr Macfarlane is not considered by the Board (with Mr Macfarlane abstaining) to be an independent Director by virtue of his recent executive position with the Company.

Mr Macfarlane has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

### **5.3 Board recommendation**

The Board (with Mr Macfarlane abstaining) supports the election of Mr Macfarlane.

Mr Macfarlane has been a part of the Company since its inception and has an in-depth knowledge and understanding of the Company and its business which will be instrumental in the growth of the Company moving forward.

### **5.4 Additional information**

Resolution 2 is an ordinary resolution.

## **6. Resolution 3 – Approval of 10% Placement Facility**

### **6.1 General**

Listing Rule 7.1A enables an eligible entity to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% annual placement capacity under Listing Rule 7.1.

Resolution 3 seeks Shareholder approval to provide the Company with the ability to issue Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 6.2(f) below). The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) below).

If Resolution 3 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 3 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval in Listing Rule 7.1.

### **6.2 Listing Rule 7.1A**

#### **(a) Is the Company an eligible entity?**

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less.

The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$10.2 million, based on the closing price of Shares (\$0.04) on 17 October 2023.

#### **(b) What Equity Securities can be issued?**

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the eligible entity.

As at the date of this Notice, the Company has on issue one class of quoted Equity Securities, being Shares.

(c) **How many Equity Securities can be issued?**

Listing Rule 7.1A.2 provides that under the approved 10% Placement Facility, the Company may issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A = is the number of Shares on issue at the commencement of the Relevant Period:

- (A) plus the number of fully paid shares issued in the Relevant Period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
- (B) plus the number of fully paid shares issued in the Relevant Period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
  - (1) the convertible securities were issued or agreed to be issued before the commencement of the Relevant Period; or
  - (2) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (C) plus the number of fully paid shares issued in the Relevant Period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
  - (1) the agreement was entered into before the commencement of the Relevant Period; or
  - (2) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (D) plus the number of partly paid shares that became fully paid shares in the Relevant Period;
- (E) plus the number of fully paid shares issued in the Relevant Period with approval under Listing Rules 7.1 and 7.4; and
- (F) less the number of fully paid shares cancelled in the Relevant Period.

Note that 'A' has the same meaning in Listing Rule 7.1 when calculating the Company's 15% annual placement capacity.

D = is 10%.

E = is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue, where the issue or agreement has not been subsequently approved by Shareholders under Listing Rule 7.4.

(d) **What is the interaction with Listing Rule 7.1?**

The Company's ability to issue Equity Securities under Listing Rule 7.1A will be in addition to its 15% annual placement capacity under Listing Rule 7.1.

(e) **At what price can the Equity Securities be issued?**

Any Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per Equity Security which is not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph 6.2(e)(i) above, the date on which the Equity Securities are issued, **(Minimum Issue Price)**.

(f) **When can Equity Securities be issued?**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A will be valid from the date of the Meeting and will expire on the earlier of:

- (i) the date that is 12 months after the date of the Meeting;
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the time and date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

**(10% Placement Period)**.

(g) **What is the effect of Resolution 3?**

The effect of Resolution 3 will be to allow the Company to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without further Shareholder approval or using the Company's 15% annual placement capacity under Listing Rule 7.1.

### **6.3 Specific information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, the following information is provided in relation to the 10% Placement Facility:

(a) **Final date for issue**

The Company will only issue the Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 6.2(f) above).

(b) **Minimum issue price**

Where the Company issues Equity Securities under the 10% Placement Facility, it will only do so for cash consideration and the issue price will be not less than the Minimum Issue Price (refer to Section 6.2(e) above).

(c) **Purposes of issues under the 10% Placement Facility**

The Company may seek to issue Equity Securities under the 10% Placement Facility for the purposes of raising funds for continued investment in the Company's current assets, the acquisition of new assets or investments (including expenses associated with such an acquisition), and/or for general working capital.

(d) **Risk of economic and voting dilution**

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

If this Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' economic and voting power in the Company may be diluted as shown in the below table (in the case of convertible Securities, only if the convertible Securities are converted into Shares).

The table below shows the dilution of existing Shareholders based on the current market price of Shares and the current number of Shares for Variable 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 (see Section 6.2(c) above) as at the date of this Notice (**Variable A**), with:

- (i) two examples where Variable A has increased, by 50% and 100%; and
- (ii) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Shares (Variable A in Listing Rule 7.1A.2)	Dilution			
	Issue price per Share	\$0.02 50% decrease in Current Market Price	\$0.04 Current Market Price	\$0.08 100% increase in Current Market Price
255,485,578 Shares	10% Voting Dilution	25,548,558 Shares	25,548,558 Shares	25,548,558 Shares
Variable A	Funds raised	\$510,971	\$1,021,942	\$2,043,885

Shares (Variable A in Listing Rule 7.1A.2)	Dilution			
	Issue price per Share	\$0.02 50% decrease in Current Market Price	\$0.04 Current Market Price	\$0.08 100% increase in Current Market Price
383,228,367 Shares	10% Voting Dilution	38,322,837 Shares	38,322,837 Shares	38,322,837 Shares
50% increase in Variable A	Funds raised	\$766,457	\$1,532,913	\$3,065,827
510,971,156 Shares	10% Voting Dilution	51,097,116 Shares	51,097,116 Shares	51,097,116 Shares
100% increase in Variable A	Funds raised	\$1,021,942	\$2,043,885	\$4,087,769

**Notes:**

1. The table has been prepared on the following assumptions:
  - (a) The issue price is the current market price (\$0.04), being the closing price of the Shares on ASX on 17 October 2023, being the latest practicable date before this Notice was signed.
  - (b) Variable A comprises of 255,485,578 existing Shares on issue as at the date of this Meeting, assuming the Company has not issued any Shares in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with Shareholder approval under Listing Rule 7.1 and 7.4.
  - (c) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
  - (d) No convertible Securities are exercised or converted into Shares before the date of the issue of the Equity Securities.
  - (e) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
2. The number of Shares on issue (i.e. Variable A) may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue, scrip issued under a takeover offer or upon exercise of convertible securities) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.
3. The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue. This is why the voting dilution is shown in each example as 10%. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
4. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

**(e) Allocation policy**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing Shareholders can participate;



- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new investors who are not related parties of or associates of a related party of the Company.

(f) **Issues in the past 12 months**

The Company previously obtained Shareholder approval under Listing Rule 7.1A at its 2022 annual general meeting.

In the 12 months preceding the date of the Meeting and as at the date of this Notice, the Company has issued the following Equity Securities under Listing Rule 7.1A:

Date of issue	Recipient	Number and type of security	Price	Use of funds
22 September 2023	The Shares were issued pursuant to the Placement to strategic investors and existing employees and Shareholders of the Company.	19,932,842 Shares, representing ~10% of the total number of Shares on issue at the commencement of that 12 month period.	\$0.035 each, representing a 5.7% discount to the closing price on the date of issue	<p><b>Cash raised:</b> ~\$2 million (\$697,649 from the issue of Shares under Listing Rule 7.1A)</p> <p><b>Cash spent:</b> \$Nil</p> <p><b>Use of funds:</b> Funds raised from the Placement will be used to accelerate the Company's sales activities including the addition of several new sales team members.</p> <p><b>Intended use of remaining funds:</b> N/A</p>

(g) **Voting exclusion statement**

At the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A and has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in any such issue.

However, in the event that between the date of this Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A to one or more existing Shareholders, those Shareholders' votes will be excluded under the voting exclusion statement in the Notice.

## 6.4 Additional information

Resolution 3 is a **special** resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board recommends that Shareholders vote in favour of Resolution 3.

## 7. Resolution 4 – Ratification of issue of Tranche 1 Placement Shares

### 7.1 General

On 13 September 2023, the Company announced that it had received binding commitments for a private placement of ~\$2 million (before costs) (**Placement**). The Placement is comprised of the following two tranches:

(a) **Tranche 1:**

- (i) the issue of 47,828,571 Shares to strategic investors and existing employees and Shareholders of the Company at an issue price of \$0.035 per Share (**Tranche 1 Placement Shares**), comprising:
  - (A) 27,895,729 Tranche 1 Placement Shares issued under Listing Rule 7.1; and
  - (B) 19,932,842 Tranche 1 Placement Shares issued under Listing Rule 7.1A.

(b) **Tranche 2:**

- (i) the issue of up to 2,000,000 Shares to Macnica Inc. (**Macnica**) (or its nominees) at an issue price of \$0.035 per Share agreed to be issued without Shareholder approval using the Company's Listing Rule 7.1 placement capacity, the subject of Resolution 5 (**Tranche 2 Macnica Shares**); and
- (ii) the issue of up to 7,142,857 Shares to Skiptan Pty Ltd (**Skiptan**) (or its nominees) at an issue price of \$0.035 per Share conditional on the prior receipt of Shareholder approval, the subject of Resolution 6 (**Tranche 2 Skiptan Shares**).

On 22 September 2023, the Company issued the Tranche 1 Placement Shares using the Company's available placement capacity under Listing Rules 7.1 and 7.1A, in the manner set out above.

Resolution 4(a) and (b) seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Tranche 1 Placement Shares.

## **7.2 Listing Rules 7.1, 7.1A and 7.4**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

A summary of Listing Rule 7.1A is in Section 6.1 above.

The issue of the Tranche 1 Placement Shares does not fit within any of the exceptions to Listing Rules 7.1 and 7.1A and, as it has not yet been approved by Shareholders, effectively uses up part of the Company's 15% placement capacity under Listing Rule 7.1 and the additional 10% placement capacity under Listing Rule 7.1A. This reduces the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rules 7.1 and 7.1A for the 12 month period following the issue of the Tranche 1 Placement Shares.

Listing Rule 7.4 provides an exception to Listing Rules 7.1 and 7.1A. It provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rules 7.1 and 7.1A (and provided that the previous issue did not breach Listing Rules 7.1 and 7.1A), those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rules 7.1 and 7.1A.

The effect of Shareholders passing Resolution 4(a) and (b) will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% placement capacity set out in Listing Rule 7.1, and the additional 10% placement capacity set out in Listing Rule 7.1A, without the requirement to obtain prior Shareholder approval.

If Resolution 4(a) is passed, 27,895,729 Tranche 1 Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 4(b) is passed, 19,932,842 Tranche 1 Placement Shares will be excluded in calculating the Company's 10% limit in Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 4(a) is not passed, 27,895,729 Tranche 1 Placement Shares will continue to be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 27,895,729 Equity Securities for the 12 month period following the issue of those Tranche 1 Placement Shares.

If Resolution 4(b) is not passed, 19,932,842 Tranche 1 Placement Shares will continue to be included in the Company's 10% limit under Listing Rule 7.1A, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 19,932,842 Equity Securities for the 12 month period

following the issue of those Tranche 1 Placement Shares (and assuming the Company's approval under Listing Rule 7.1A remains in force for this period).

The Company confirms that the issue of the Tranche 1 Placement Shares did not breach Listing Rule 7.1 at the time of issue.

### 7.3 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Tranche 1 Placement Shares:

- (a) The Tranche 1 Placement Shares were issued to a range of strategic investors and existing employees and Shareholders of the Company, none of whom are a related party of the Company. The following Material Investors participated in the issue of the Tranche 1 Placement Shares:
  - (i) 20,000,000 Tranche 1 Placement Shares were issued to Macnica (or its nominees). Macnica is considered a Material Investor by virtue of its substantial shareholding in the Company. As at the date of this Notice and to the extent known by the Company, Macnica has a relevant interest in 48,538,324 Shares representing approximately 19.64% of the voting Shares in the Company. Upon completion of the Placement (and assuming Resolution 6 is passed), it is anticipated that Macnica will have a relevant interest in 50,538,324 Shares representing approximately 19.72% of the voting Shares in the Company.
  - (ii) 25,714,286 Tranche 1 Placement Shares were issued to Lance East Holdings Pty Ltd (**LEH**) (or its nominees). LEH is considered a Material Investor by virtue of its substantial shareholding in the Company. As at the date of this Notice and to the extent known by the Company, LEH has a relevant interest in 42,201,551 Shares representing approximately 17.07% of the voting Shares in the Company. Upon completion of the Placement (and assuming Resolution 6 is passed), it is anticipated that LEH will have a relevant interest in 42,201,551 Shares representing approximately 16.47% of the voting Shares in the Company.
- (b) A total of 47,828,571 Tranche 1 Placement Shares were issued, as follows:
  - (i) 27,895,729 Tranche 1 Placement Shares were issued within the Company's 15% placement capacity permitted under Listing Rule 7.1; and
  - (ii) 19,932,842 Tranche 1 Placement Shares were issued within the Company's additional 10% placement capacity permitted under Listing Rule 7.1A.
- (c) The Tranche 1 Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Tranche 1 Placement Shares were issued on 22 September 2023.
- (e) The Tranche 1 Placement Shares were issued at \$0.035 each.

- (f) The proceeds from the issue of the Tranche 1 Placement Shares have been or are intended to be used to accelerate the Company's sales activities including the addition of several new sales team members.
- (g) There are no other material terms to the agreement for the subscription of the Tranche 1 Placement Shares.
- (h) The Tranche 1 Placement Shares are not being issued under, or to fund, a reverse takeover.
- (i) A voting exclusion statement is included in the Notice.

#### **7.4 Additional information**

Each of Resolution 4(a) and (b) is an ordinary Resolution.

The Board recommends that Shareholders vote in favour of Resolution 4(a) and (b).

### **8. Resolution 5 – Ratification of agreement to issue Tranche 2 Macnica Shares**

#### **8.1 General**

The background to the agreement to issue the Tranche 2 Macnica Shares is in Section 7.1 above.

The Company has agreed to issue the Tranche 2 Macnica Shares without Shareholder approval using the Company's 15% placement capacity under Listing Rule 7.1.

A summary of the material terms of the agreement to issue the Tranche 2 Macnica Shares is in Section 8.2 below.

Resolution 5 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the agreement to issue the Tranche 2 Macnica Shares.

#### **8.2 Summary of material terms of agreement to issue Tranche 2 Macnica Shares**

The Company has agreed to issue the Tranche 2 Macnica Shares subject to the following conditions precedent:

- (a) completion of the issue of the Tranche 1 Placement Shares;
- (b) receipt of Shareholder approval for the issue of the Tranche 2 Skiptan Shares (the subject of Resolution 6);
- (c) the Company issuing the Tranche 2 Skiptan Shares, such that the voting power of Macnica will not exceed 20% contrary to section 606 of the Corporations Act;
- (d) ASX having not indicated that it will not grant official quotation of the Tranche 2 Macnica Shares (other than on customary conditions);
- (e) no insolvency event having occurred in respect of the Company; and
- (f) each of the warranties given by the Company being true and correct.

If any of the conditions precedent are not satisfied or waived by 6 November 2023, then the agreement may be terminated by either the Company or Macnica. The Company is currently awaiting consent from Macnica to extend the deadline for completion of these conditions precedent to 6<sup>th</sup> December 2023, being after the AGM.

The agreement to issue the Tranche 2 Macnica Shares is otherwise on customary terms for an agreement of this nature.

### **8.3 Listing Rules 7.1 and 7.4**

A summary of Listing Rules 7.1 and 7.4 is in Section 7.2 above.

The effect of Shareholders passing Resolution 5 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 5 is passed, 2,000,000 Tranche 2 Macnica Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 5 is not passed, 2,000,000 Tranche 2 Macnica Shares will be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 2,000,000 Equity Securities for the 12 month period following the issue of those Tranche 2 Macnica Shares.

The Company confirms that the issue of the Tranche 2 Macnica Shares will not breach Listing Rule 7.1 at the time of issue.

### **8.4 Specific information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Tranche 2 Macnica Shares:

- (a) The Tranche 2 Macnica Shares will be issued to Macnica, who is not a related party of the Company. Macnica is considered a Material Investor by virtue of its substantial shareholding in the Company. As at the date of this Notice and to the extent known by the Company, Macnica has a relevant interest in 48,538,324 Shares representing approximately 19.64% of the voting Shares in the Company. Upon completion of the Placement (and assuming Resolution 6 is passed), it is anticipated that Macnica will have a relevant interest in 50,538,324 Shares representing approximately 19.72% of the voting Shares in the Company.
- (b) A total of 2,000,000 Tranche 2 Macnica Shares will be issued within the Company's 15% placement capacity permitted under Listing Rule 7.1.
- (c) The Tranche 2 Macnica Shares will be fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Tranche 2 Macnica Shares are expected to be issued on or around [10] November 2023, and in any event not later than 3 months after the date of the Meeting.

- (e) The Tranche 2 Macnica Shares will be issued at \$0.035 each.
- (f) The proceeds from the issue of the Tranche 2 Macnica Shares are to be used in the manner described in Section 7.3(f) above.
- (g) A summary of the material terms of the agreement to issue the Tranche 2 Macnica Shares is in Section 8.2 above.
- (h) The Tranche 2 Macnica Shares are not being issued under, or to fund, a reverse takeover.
- (i) A voting exclusion statement is included in the Notice.

## **8.5 Additional information**

Resolution 5 is an ordinary Resolution.

The Board recommends that Shareholders vote in favour of Resolution 5.

## **9. Resolution 6 – Approval of issue of Tranche 2 Skiptan Shares**

### **9.1 General**

The background to the issue of the Tranche 2 Skiptan Shares is in Section 7.1 above.

A summary of the material terms of the agreement to issue the Tranche 2 Skiptan Shares is in Section 9.2 below.

Resolution 6 seeks the approval of Shareholders pursuant to Listing Rule 10.11 to approve the issue of the Tranche 2 Skiptan Shares.

### **9.2 Summary of material terms of agreement to issue Tranche 2 Skiptan Shares**

The Company has agreed to issue the Tranche 2 Skiptan Shares subject to the following conditions precedent:

- (a) receipt of Shareholder approval for the issue of the Tranche 2 Skiptan Shares (the subject of this Resolution 6);
- (b) ASX having not indicated that it will not grant official quotation of the Tranche 2 Skiptan Shares (other than on customary conditions);
- (c) no insolvency event having occurred in respect of the Company; and
- (d) each of the warranties given by the Company being true and correct.

If any of the conditions precedent are not satisfied or waived by 7 December 2023, then the agreement may be terminated by either the Company or Skiptan.

The agreement to issue the Tranche 2 Skiptan Shares is otherwise on customary terms for an agreement of this nature.

### **9.3 Listing Rule 10.11**

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a



listed company must not issue or agree to issue Equity Securities to any of the following persons without the approval of its Shareholders:

- (a) a related party (Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (30%+) in the company (Listing Rule 10.11.2);
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (10%+) in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so (Listing Rule 10.11.3);
- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3 (Listing Rule 10.11.4); or
- (e) a person whose relation with the company or a person referred to in Listing Rule 10.11.1 or 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders (Listing Rule 10.11.5).

Skiptan is an associate of Non-Executive Director, Clinton Snow, and therefore falls into the category stipulated by Listing Rule 10.11.4. Shareholder approval pursuant to Listing Rule 10.11 is therefore required unless an exception applies. It is the view of the Board (with Clinton Snow abstaining) that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

Approval pursuant to Listing Rule 7.1 is not required for the issue of the Tranche 2 Skiptan Shares as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of the Tranche 2 Skiptan Shares to Skiptan (or its nominees) will not be included in the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

The effect of Shareholders passing Resolution 6 will be to allow the Company to issue the Tranche 2 Skiptan Shares, raising \$250,000 (before costs).

If Resolution 6 is not passed, the Company will not be able to proceed with the issue of the Tranche 2 Skiptan Shares and will not receive the additional \$250,000 committed by Skiptan under the Placement.

#### **9.4 Specific information required by Listing Rule 10.13**

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed issue of the Tranche 2 Skiptan Shares:

- (a) The Tranche 2 Skiptan Shares will be issued to Skiptan (or its nominees).
- (b) Skiptan falls into the category stipulated by Listing Rule 10.11.4 by virtue of being an associate of Non-Executive Director, Clinton Snow.
- (c) A maximum of 7,142,857 Tranche 2 Skiptan Shares will be issued to Skiptan (or its nominees).
- (d) The Tranche 2 Skiptan Shares will be fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.

- (e) The Tranche 2 Skiptan Shares will be issued no later than one month after the date of the Meeting.
- (f) The Tranche 2 Skiptan Shares are proposed to be issued at an issue price of \$0.035 each, being the same price at which the Tranche 1 Placement Shares were issued.
- (g) The proceeds from the issue of the Tranche 2 Skiptan Shares are to be used in the manner described in Section 7.3(f) above.
- (h) The proposed issue of the Tranche 2 Skiptan Shares is not intended to remunerate or incentivise Non-Executive Director, Clinton Snow.
- (i) A summary of the material terms of the agreement to issue the Tranche 2 Skiptan Shares is set out in Section 9.2 above.
- (j) A voting exclusion statement is included in the Notice.

## **9.5 Chapter 2E of the Corporations Act**

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The proposed issue of the Tranche 2 Skiptan Shares constitutes giving a financial benefit to a related party of the Company.

The Board (with Clinton Snow abstaining) considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Tranche 2 Skiptan Shares because the Tranche 2 Skiptan Shares will be issued on the same terms as those Tranche 1 Placement Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

## **9.6 Additional information**

Resolution 6 is an ordinary resolution.

The Board (other than Clinton Snow) recommends that Shareholders vote in favour of Resolution 6.

## **10. Resolution 7 – Approval to issue New Options to employees and consultants**

### **10.1 Background**

- 10.2** As part of the Company's ongoing commitment to reward, retain and attract personnel whose skills and qualifications are necessary and appropriate for the Company's ongoing operations and development, the Company is proposing to, subject to the receipt of prior Shareholder

approval, issue a new round of incentive securities to its Directors, employees and contractors pursuant to the Company's employee securities incentive plan (**Plan**), comprising 24,900,000 Options exercisable at \$0.046 each and expiring 4 years from the date of issue (**New Options**). A summary of the material terms of the Plan is in Schedule 5. The issue of the New Options is subject to the receipt of Shareholder approval to increase the issue cap under the Corporations Act in respect of offers for monetary consideration from 5% to 17% through an amendment to the Constitution pursuant to section 1100V(2)(a) of the Corporations Act (the subject of Resolution 9).

To minimise the potential dilution resulting from the issue of the New Options, the Company and the proposed recipients of the New Options have agreed to cancel an aggregate of 7,547,082 existing Options (**Existing Options**) currently on issue for no consideration in accordance with the Listing Rule 6.23.1 (**Cancellation**). A summary of Listing Rule 6.23.1 is in Section 10.4 below. The Cancellation will be effective prior to the date of the Meeting.

The Cancellation and the issue of the New Options are not inter-conditional, meaning the recipients of the New Options have agreed to cancel their Existing Options "at risk". To that end, if Shareholder approval is not obtained for the issue of the New Options the subject of Resolution 7 and Resolution 8(a), (b) and (c), the Existing Options will still remain cancelled.

A summary of the Existing Options and the New Options is in Schedule 2.

### 10.3 General

Resolution 7 seeks Shareholder approval for the issue of up to 22,400,000 New Options (**Employee New Options**) to eligible employees and consultants (or their respective nominees) (**Eligible Participants**) of the Company under the Plan.

The Company is in an important stage of development with significant opportunities and challenges in both the near and long-term, and the proposed issue of the Employee New Options seeks to align the efforts of Eligible Participants in seeking to achieve growth of the Share price and in the creation of Shareholder value. The Board also believes the issue of the Employee New Options provides a powerful tool to underpin the Company's employment and engagement strategy as it:

- (a) enables the Company to incentivise and retain key personnel (via time-based vesting conditions) increasing long term incentives rather than base remuneration, thereby ensuring the Company's cash position remains strong;
- (b) further align the financial interest of Eligible Participants with those of Shareholders;
- (c) provide incentives to Eligible Participants to focus on achievement of the Company's strategic objectives that create Shareholder value; and
- (d) enables the Company to continue to attract and maintain highly experienced and qualified employees and consultants in a competitive market.

### 10.4 Listing Rules 7.1 and 6.23.1

A summary of Listing Rule 7.1 is in Section 7.2 above.

Listing Rule 6.23.1 provides that a change which has the effect of cancelling an option for no

consideration can be made without Shareholder approval.

The effect of Shareholders passing Resolution 7 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% placement capacity set out in Listing Rule 7.1, without the requirement to obtain prior Shareholder approval.

If Resolution 7 is passed, the Company will be able to proceed with the issue of the Employee New Options. In addition, the proposed issue of the Employee New Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1 or the maximum permitted number of Equity Securities issued under Listing Rule 7.2, exception 13(b).

If Resolution 7 is not passed, the Company will not be able to proceed with the issue of the Employee New Options and will have to consider alternative ways to incentivise and retain the Eligible Participants, including by the payment of cash or an alternative package of cash and Equity Securities. This may negatively impact the Company's future cash position.

### **10.5 Specific information required by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Employee New Options:

- (a) The Employee New Options will be issued to Eligible Participants under the Plan. None of the Eligible Participants are a related party of the Company. No Material Investors will be issued Employee New Options, other than as set out below:
  - (i) Kevin Brown, Chief Executive Officer, will be issued a maximum of 10,000,000 Employee New Options. Kevin Brown is considered a Material Investor by virtue of his designation as Key Management Personnel.
  - (ii) Matt James, Chief Technology Officer, will be issued a maximum of 3,000,000 Employee New Options. Matt James is considered a Material Investor by virtue of his designation as Key Management Personnel.
- (b) A maximum of 22,400,000 Employee New Options will be issued.
- (c) The Employee New Options will be exercisable at \$0.046 each and expire 4 years from the date of issue and will otherwise be subject to the terms and conditions in Schedule 3.
- (d) The Employee New Options will be issued no later than 3 months after the date of the Meeting.
- (e) The Employee New Options will be issued for nil cash consideration and will be provided as an incentive component to the remuneration package of each Eligible Participant. Accordingly, the Company will not receive any funds from the issue (other than in respect of funds received on exercise of the Employee New Options).
- (f) There are no other material terms to the agreement for the issue of the Employee New Options.
- (g) The Employee New Options are not being issued under, or to fund, a reverse takeover.
- (h) A voting exclusion statement is included in the Notice.

## 10.6 Additional information

Resolution 7 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 7.

## 11. Resolution 8 – Approval to issue New Options to the Directors

### 11.1 General

The background and rationale to the issue of the New Options to the Directors (or their respective nominees) is set out in Sections 10.1 and 10.3 above.

The Company is proposing to, subject to obtaining Shareholder approval, issue up to 2,500,000 New Options to the Directors (or their respective nominees) under the Plan, as follows:

- (a) 750,000 New Options to Colm O'Brien (or his nominees);
- (b) 750,000 New Options to Clinton Snow (or his nominees); and
- (c) 1,000,000 New Options to Matthew Macfarlane (or his nominees),

(together, the **Director New Options**).

Resolution 8 seeks Shareholder approval pursuant to Listing Rule 10.14 for the issue of the Director New Options under the Plan.

### 11.2 Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme without the approval of its Shareholders:

- (a) a director of the entity (Listing Rule 10.14.1);
- (b) an associate of a person referred to in Listing Rule 10.14.1 (Listing Rule 10.14.2); and
- (c) a person whose relationship with the entity or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by Shareholders.

Approval pursuant to Listing Rule 7.1 is not required for the issue of the Director New Options as approval is being obtained under Listing Rule 10.14. Accordingly, the issue of the Director New Options to the Directors (or their respective nominees) will not be included in the Company's 15% annual placement capacity in Listing Rule 7.1 or the maximum permitted number of Equity Securities issued under Listing Rule 7.2, exception 13(b).

The effect of Shareholders passing Resolution 8 will be to allow the Company to issue the Director New Options to the Directors (or their respective nominees) under the Plan in the manner detailed above in Section 11.1.

If Resolution 8 is not passed, the Company will not be able to proceed with the issue of the Director New Options to the Directors (or their respective nominees).

Resolution 8(a), (b) and (c) are not conditional on one another.

### 11.3 Specific information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to the proposed issue of the Director New Options:

- (a) The Director New Options will be issued under the Plan to Colm O'Brien, Clinton Snow and Matthew Macfarlane (or their respective nominees).
- (b) Colm O'Brien, Clinton Snow and Matthew Macfarlane fall into the category stipulated by Listing Rule 10.14.1 by virtue of being Directors of the Company.
- (c) A maximum of 2,500,000 Director New Options will be issued in the manner detailed above in Section 11.1.
- (d) The current total annual remuneration package for the Directors as at the date of this Notice is:

Director	Remuneration (inclusive of superannuation)
Colm O'Brien	\$39,780
Clinton Snow	\$39,780
Matthew Macfarlane	\$71,825

- (e) No Equity Securities have previously been issued to the Directors under the Plan.
- (f) The Director New Options will be issued on the terms and conditions in Schedule 3.
- (g) The rationale to the issue of the Director New Options is in Section 10.1 and 10.3 above.
- (h) The Company's valuation of the Director New Options is \$52,500. Additional information on the valuation methodologies and assumptions are contained in Schedule 4.
- (i) The Director New Options will be issued not later than three years after the Meeting.
- (j) The Director New Options will be issued for nil cash consideration and will be provided as an incentive component to the Directors' remuneration packages.
- (k) A summary of the material terms of the Plan is in Schedule 5.
- (l) No loan will be provided to the Directors in relation to the issue of the Director New Options.
- (m) Details of any securities issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.

- (n) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after the resolution is approved and who were not named in the Notice will not participate until approval is obtained under Listing Rule 10.14.
- (o) A voting exclusion statement is included in the Notice.

## **11.4 Chapter 2E of the Corporations Act**

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The proposed issue of the Director New Options constitutes giving a financial benefit to related parties of the Company.

The Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Director New Options because the Director New Options will be issued on the same terms as those New Options issued to non-related parties and as such the giving of the financial benefit is considered to constitute reasonable remuneration and be on arm's length terms.

## **11.5 Additional information**

Each of the Resolutions comprising Resolution 8 is an ordinary Resolution.

Given the personal interests of all Directors in the outcome of this Resolution, the Board declines to make a recommendation to Shareholders regarding this Resolution.

## **12. Resolution 9 – Modification of existing Constitution**

### **12.1 General**

Under section 136(2) of the Corporations Act, a company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 9 seeks the approval of Shareholders to modify the Company's existing Constitution to incorporate recent amendments to the Corporations Act regarding the new regime for the making of offers in connection with employee share schemes under Part 7.12 of the Corporations Act.

The Directors believe that it is preferable in the circumstances to simply modify the existing Constitution rather than repealing the entire existing Constitution and replacing it with a new constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders.

A copy of the modified Constitution is available for review by Shareholders at the office of the Company. A copy of the modified Constitution can also be sent to Shareholders upon request to the Company Secretary at raf@icetana.com.au. Shareholders are invited to contact the Company if they have any queries or concerns.

If Resolution 9 is passed, the Company will adopt the modified Constitution with effect from the date this Resolution is passed.

If Resolution 9 is not passed, the Company will not adopt the modified Constitution and, in this regard, not increase the 5% issue cap under the Corporations Act in respect of offers for monetary consideration under the Plan to 17%.

## 12.2 Summary of material proposed changes

The proposed amendments provide the ability for the Company to increase the 5% issue cap under the Corporations Act in respect of offers for monetary consideration under the Plan to 17%.

Set out below are the proposed modifications to the existing Constitution:

(a) **Insert as new definitions in Article 1.1:**

***ESS Interests** has the meaning under section 1100M(1) of the Corporations Act.*

***Share** means a fully paid ordinary share in the capital of the Company.*

(b) **Insert as a new Article 2.8:**

**2.8 Issue cap for offers involving monetary consideration under an employee incentive scheme**

*For the purposes of section 1100V(2)(a) of the Corporations Act, the Company may only make an offer of ESS Interests if, at the time the offer is made, the Company reasonably believes:*

*(a) the total number of Shares that are, or are covered by, the ESS Interests of the Company that may be issued under the offer; and*

*(b) the total number of Shares that are, or are covered by, the ESS Interests that have been issued, or could have been issued, under offers made under the Company's employee share scheme at any time during the 3 year period ending on the day the offer is made,*

*do not exceed 17% of the number of Shares actually on issue as at the start of the day the offer is made.*

## 12.3 Additional information

Resolution 9 is a **special** resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board recommends that Shareholders vote in favour of Resolution 9.





## Schedule 1 Definitions

In the Notice, words importing the singular include the plural and vice versa.

<b>10% Placement Facility</b>	has the meaning in Section 6.1.
<b>10% Placement Period</b>	has the meaning in Section 6.2(f).
<b>\$</b>	means Australian dollars.
<b>Annual Report</b>	means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2023.
<b>ASX</b>	means the ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
<b>Auditor's Report</b>	means the auditor's report contained in the Annual Report.
<b>AWST</b>	means Western Standard Time, being the time in Perth, Western Australia.
<b>Board</b>	means the board of Directors.
<b>Cancellation</b>	has the meaning given in Section 10.1.
<b>Chair</b>	means the person appointed to chair the Meeting of the Company convened by the Notice.
<b>Closely Related Party</b>	means: (a) a spouse or child of the member; or (b) has the meaning given in section 9 of the Corporations Act.
<b>Company</b>	means icetana Limited (ACN 140 449 725).
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth) as amended.
<b>Director</b>	means a director of the Company.
<b>Directors' Report</b>	means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
<b>Director New Options</b>	means 2,500,000 New Options proposed to be issued to the Directors (or their respective nominees), the subject of Resolution 8(a), (b) and (c).
<b>Employee New Options</b>	means 22,400,000 New Options proposed to be issued to employees and consultants of the Company (or their respective nominees), the subject of Resolution 7.
<b>Equity Security</b>	has the same meaning as in the Listing Rules.

<b>Existing Options</b>	means the 7,547,082 Options agreed to be cancelled for no consideration in accordance with Listing Rule 6.23.1, a summary of which is in Schedule 2.
<b>Explanatory Memorandum</b>	means the explanatory memorandum which forms part of the Notice.
<b>Financial Report</b>	means the financial report contained in the Annual Report.
<b>Key Management Personnel</b>	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.
<b>LEH</b>	means Lance East Holdings Pty Ltd (ACN 651 544 268).
<b>Listing Rules</b>	means the listing rules of ASX.
<b>Macnica</b>	means Macnica Inc. (Company No: 2020001032286).
<b>Material Investor</b>	means, in relation to the Company: <ul style="list-style-type: none"> <li>(a) a related party;</li> <li>(b) Key Management Personnel;</li> <li>(c) a substantial Shareholder;</li> <li>(d) an advisor; or</li> <li>(e) an associate of the above,</li> </ul> who received or will receive Securities in the Company which constitute more than 1% of the Company's anticipated capital structure at the time of issue.
<b>Meeting</b>	has the meaning given in the introductory paragraph of the Notice.
<b>Minimum Issue Price</b>	has the meaning in Section 6.2(e).
<b>New Options</b>	means the 24,900,000 Options proposed to be issued to Directors, employees and consultants of the Company, the subject of Resolution 7 and Resolution 8(a), (b) and (c).
<b>Notice</b>	means this notice of general meeting.
<b>Placement</b>	has the meaning given in Section 7.1.
<b>Plan</b>	means the employee securities incentive plan of the Company, a summary of which is in Schedule 5.
<b>Proxy Form</b>	means the proxy form made available with the Notice.

<b>Remuneration Report</b>	means the remuneration report of the Company contained in the Annual Report.
<b>Resolution</b>	means a resolution referred to in the Notice.
<b>Schedule</b>	means a schedule to the Notice.
<b>Section</b>	means a section of the Explanatory Memorandum.
<b>Securities</b>	means any Equity Securities of the Company (including Shares and/or options).
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means the holder of a Share.
<b>Skiptan</b>	means Skiptan Pty Ltd (ACN 009 406 142).
<b>Strike</b>	has the meaning in Section 4.1.
<b>Tranche 1 Placement Shares</b>	means the 47,828,571 Shares issued to strategic investors and existing employees and Shareholders of the Company under the Placement, the subject of Resolution 4(a) and (b).
<b>Tranche 2 Macnica Shares</b>	means the 2,000,000 Shares agreed to be issued to Macnica (or its nominees), the subject of Resolution 5.
<b>Tranche 2 Skiptan Shares</b>	means the 7,142,857 Shares agreed to be issued to Skiptan (or its nominees), the subject of Resolution 6.

## Schedule 2 Details of Existing Options and New Options

EXISTING OPTIONS						NEW OPTIONS
Exercise price	\$0.25	\$0.15	\$0.15	\$0.15	TOTAL	\$0.046
Expiry date	2 June 2025	26 April 2026	15 November 2026	29 November 2026	-	4 years from date of issue
<b>Directors</b>						
Colm O'Brien	-	-	-	675,000	675,000	750,000
Clinton Snow	-	-	-	675,000	675,000	750,000
Matthew Macfarlane	-	-	-	-	-	1,000,000
<b>Other employees, consultants &amp; contractors</b>						
Total	712,500	5,334,582	150,000	-	6,197,082	22,400,000
<b><u>TOTAL</u></b>	<b>712,500</b>	<b>5,334,582</b>	<b>150,000</b>	<b>1,350,000</b>	<b>7,547,082</b>	<b>24,900,000</b>

## Schedule 3 Terms and conditions of New Options

1. **(Entitlement):** Each Option entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) upon exercise of the Option.
2. **(Plan):** The Options will be issued under the Company's employee securities incentive plan (**Plan**). In the event of any inconsistency between the Plan and these terms and conditions, these terms and conditions will apply to the extent of the inconsistency.
3. **(Exercise Price and Expiry Date):** The Options have an exercise price of \$0.046 per Option (**Exercise Price**) and will expire on the earlier to occur of:
  - (a) 5:00pm (AWST) on the date 4 years after date of issue; and
  - (b) the Options lapsing and being forfeited under the Plan or these terms and conditions.
4. **(Expiry Date).** An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
5. **(Vesting Conditions):**

**Option #1** – *The Options granted will vest on a quarterly basis over the three-year period following the date of issue of the Options, subject to the relevant participant in the Plan remaining employed or otherwise engaged by the Company at all times during the relevant quarter. An additional condition of vesting is that the relevant participant has been employed or otherwise engaged by the Company for a period of twelve months before any vesting can occur. For the avoidance of doubt, the twelve-month period is calculated from the start of their employment or engagement with the Company, not from the date of issue.*

**Option #2 (For senior executives)** - *Subject to the relevant participant remaining employed or otherwise engaged by the Company at all times until the relevant vesting date, the Options will vest as follows:*

<b>Class</b>	<b>Percentage of Options</b>	<b>Vesting Condition</b>
A	25%	<i>\$3 million Revenue in any financial year ending 30 June prior to 30 June 2025 (as reported in the Company's audited annual accounts).</i>
B	25%	<i>\$4 million Revenue in any financial year ending 30 June prior to 30 June 2028 (as reported in the Company's audited annual accounts).</i>
C	50%	<i>Options will vest on a quarterly basis over the three-year period after the date of issue of the Options.</i>

For the purposes of the Vesting Conditions above, "**Revenue**" means revenue in accordance with the Company's accounting policy and the Australian Accounting Standards, as outlined below and in accordance with Australian Accounting Standard AASB 15.

The Company recognises revenue as follows:

- (a) **Sale of goods:** Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.
- (b) **Software service revenue:** Revenue from the provision of software sales is recognised when it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.
- (c) **Other revenue:** Other revenue is recognised when it is received or when the right to receive payment is established; and excluding any one-off revenue received outside the ordinary course of business and more specifically excluding:
  - (i) the research and development grant returns of the Company; and
  - (ii) any inorganic revenue that may be recognised as a result of, for example, merger and acquisition opportunities.

An additional condition of vesting is that the relevant participant has been employed or otherwise engaged by the Company for a period of twelve months before any vesting can occur. For the avoidance of doubt, the twelve-month period is calculated from the start of their employment or engagement with the Company, not from the date of issue.

- 6. **(Exercise Period):** Each vested Option is exercisable at any time and from time to time on or prior to the Expiry Date.
- 7. **(Quotation of the Options):** The Options will be unquoted.
- 8. **(Transferability of the Options):** The Options are not transferable unless determined otherwise by the Board in accordance with the Plan.
- 9. **(Notice of Exercise):** The Options may be exercised by notice in writing to the Company in multiples of 10,000 Options per notice in the manner specified on the Option certificate or as otherwise agreed with the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company (acting reasonably).

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.
- 10. **(Lodgement instructions):** If an Exercise Price is paid by cheque, such cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's Share Registry.
- 11. **(Shares issued on exercise):** Shares issued on exercise of the Options rank equally with the then Shares of the Company.
- 12. **(Quotation of Shares on exercise):** If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options in accordance with the Listing Rules.

13. **(Timing of issue of Shares):** Within 5 business days after the receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised, the Company will:
  - (a) issue the Shares pursuant to the exercise of the Options;
  - (b) issue a substitute certificate for any remaining unexercised Options held by the holder; and
  - (c) if required, and subject to paragraph 14, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act.
14. **(Restrictions on transfer of Shares):** If the Company is required but unable to give ASX a notice under paragraph 13(c), or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of Options may not be traded and will be subject to a holding lock until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.
15. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.
16. **(Adjustment for bonus issues of Shares):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
  - (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
  - (b) no change will be made to the Exercise Price.
17. **(Adjustment for entitlements issue):** If the Company makes an issue of Shares pro rata to existing Shareholders (other than as a bonus issue, to which paragraph 15 will apply) there will be no adjustment of the Exercise Price of an Option or the number of Shares over which the Options are exercisable.
18. **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of the Company, the rights of the Option holders will be varied in accordance with the Listing Rules.
19. **(Entitlement to dividends):** The Options do not confer any entitlement to a dividend, whether fixed or at the discretion of the directors, during the currency of the Options without exercising the Options.
20. **(Entitlement to capital return):** The Options do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise, and similarly do not confer any right to participate in the surplus profit or assets of the Company upon a winding up, in each case, during the currency of the Options without exercising the Options.
21. **(Voting rights):** The Options do not confer any right to vote at meetings of members of the Company, except as required by law, during the currency of the Options without first exercising the Options.
22. **(Leaver):** You will become a "Leaver" when you cease employment, engagement or office with the Company or any of its subsidiaries. Where you become a Leaver, all unvested Options will automatically be forfeited by you, unless the Board otherwise determines in its discretion to permit some or all of the Options to vest.



23. **(Change in control):** If a Change of Control Event occurs, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Options will be dealt with, including, without limitation, in a manner that allows the holder of the Options to participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event.

## Schedule 4 Valuation of Director New Options

The Director New Options to be issued to the Directors (or their respective nominees) have been valued according to a Black-Scholes valuation model on the following assumptions.

<b>Number of Director New Options</b>	2,500,000
<b>Assumed Share price at grant date</b>	\$0.032
<b>Exercise price</b>	\$0.046
<b>Market value on ASX of underlying Shares at time of setting exercise price</b>	\$0.032
<b>Exercise price premium to market value</b>	\$0.014
<b>Expiry</b>	4 years
<b>Expected volatility</b>	100%
<b>Risk free interest rate</b>	4.56%
<b>Annualised dividend yield</b>	0%
<b>Value of each Director New Options</b>	\$0.021
<b>Aggregate value of Director New Options</b>	\$52,500

## Schedule 5 Summary of material terms of Plan

The following is a summary of the material terms and conditions of the Plan:

1. **(Eligible Participant):** A person is eligible to participate in the Plan (**Eligible Participant**) if they have been determined by the Board to be eligible to participate in the Plan from time to time and are an “ESS participant” (as that term is defined in Division 1A) in relation to the Company or an associated entity of the Company.

This relevantly includes, amongst others:

- (a) an employee or director of the Company or an individual who provides services to the Company;
- (b) an employee or director of an associated entity of the Company or an individual who provides services to such an associated entity;
- (c) a prospective person to whom paragraphs (a) or (b) apply;
- (d) a person prescribed by the relevant regulations for such purposes; or
- (e) certain related persons on behalf of the participants described in paragraphs (a) to (d) (inclusive).

2. **(Maximum allocation):** The Company must not make an offer of Securities under the Plan in respect of which monetary consideration is payable (either upfront, or on exercise of convertible securities) where:

- (a) the total number of Plan Shares (as defined in paragraph 13 below) that may be issued or acquired upon exercise of the convertible securities offered; plus
- (b) the total number of Plan Shares issued or that may be issued as a result of offers made under the Plan at any time during the previous 3 year period,

would exceed 17% (subject to passing of Resolution 9) of the total number of Shares on issue at the date of the offer or such other limit as may be specified by the relevant regulations or the Company’s Constitution from time to time.

3. **(Purpose):** The purpose of the Plan is to:

- (a) assist in the reward, retention and motivation of Eligible Participants;
- (b) link the reward of Eligible Participants to Shareholder value creation; and
- (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.

4. **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion, subject to compliance with applicable laws and the Listing Rules. The Board may delegate its powers and discretion.

5. **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. An

invitation issued under the Plan will comply with the disclosure obligations pursuant to Division 1A.

On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

A waiting period of at least 14 days will apply to acquisitions of Securities for monetary consideration as required by the provisions of Division 1A.

6. **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the successful applicant (**Participant**) the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
7. **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

8. **(Vesting of Convertible Securities):** Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.
9. **(Exercise of Convertible Securities and cashless exercise):** To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

At the time of exercise of the Convertible Securities, and subject to Board approval, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

**Market Value** means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

10. **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
11. **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules: any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.

12. **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
13. **(Rights attaching to Plan Shares):** All Shares issued under the Plan or issued or transferred to a Participant upon the valid exercise of a Convertible Security, **(Plan Shares)** will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.
14. **(Disposal restrictions on Securities):** If the invitation provides that any Plan Shares or Convertible Securities are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.
15. **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

16. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of

the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

17. **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

18. **(Plan duration):** The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.